

# **Celebrity Endorsement in Social Media Marketing**

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<p>The topic of this thesis is very current as social media is expanding quickly to new areas in the world, engaging more users than ever before. Customers also these days are very aware of what they buy. Being see-through and authentic is very appealing to customers in these times and it is intriguing to see how companies have innovate themselves in order to be more appealing to customers.</p> <p>One of the oldest marketing tactics has been to hire a celebrity to promote products and services. Even though customer behaviour is changing, companies are using celebrity endorsement not only in traditional marketing but also in social media marketing.</p> <p>The purpose of this thesis was to describe the celebrity endorsement phenomenon. How it is used by different types of companies and what are the effects, benefits and challenges. The focus was specifically on celebrity endorsement used in social media. The most important resources were case examples from all across the globe as well as interviews.</p> <p>The key references and sources for the thesis were the interviews as well as the internet, which is full of companies promoting their products and brands using celebrity endorsement as well as social media pages of different companies and celebrities. The key literature for this thesis was Marketing 4.0 by Philip Kotler and Forbes magazines.</p> <p>The research approach was qualitative. The research method was semi structured theme interview and all interviews were done in person. The key to the interviews was to find suitable partners that would represent different areas of business.</p> <p>All together there were three interviews, two in person and one by Skype. All interviews were conducted in august 2017 in Helsinki. The interviewees were from Neste, The Finnish Sponsorships and Event Marketing Association and Cargotec. The interviews focused on the company's perspective of collaborations with celebrities and their views on celebrity endorsement used in marketing.</p> <p>The main discoveries of this thesis were that Facebook is the number one platform to execute these collaborations and in all of their experiences celebrity endorsement has increased traffic to their websites and they received positive feedback from customers. All companies had positive experiences with celebrity endorsement.</p>	
<b>Keywords</b>	
brand, celebrity endorsement, image, influencer marketing, social media	

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# **1 Introduction**

Americans check their smartphones around 46 times a day and 65% of Americans were on social media already in 2015. The numbers have only been increasing since and over 70% of global population will have a smartphone by the end of 2020. In total 31% (2.3 billion people) of the world's population are connected and using social media sites. This opens a whole new marketing game for companies to benefit from. (Kotler 2016,153-157.)

In the last several years there has been a rapid increase in social media activity. More people are joining social media sites on their smartphones and using them daily. Brands are trying to come up with ways to keep up with the demand for on the spot news and access to online stores. Most of the top 100 brands have apps to keep customers engaged but also to increase brand awareness in this world of logos.

People are becoming more aware of the products they use and want to trust the companies they buy from. Companies need to build trust and loyalty between themselves and customers. Being present on social media sites and adding pictures or videos makes the company more relatable and thus increasing the trust.

To keep expanding and finding ways to contact new potential customers has never been on one hand easier but on the other hand harder. Social media gives companies the advantage to find out exactly what type of person is going to their site and buying their products. What's harder is to expand to new areas and finding new potential customers. One way of tapping into a new client base is to find a person who shares your company values and collaborate with that person.

Celebrity endorsement has been around for a very long time and companies have used it as a way to get more potential customers interested in their products. Now when people are starting to be very aware of what they buy and who to trust it is becoming increasingly difficult for companies to find new ways to approach customers. Social media marketing infused with celebrity endorsement is very widely used nowadays. Celebrities are used to draw more attention to the brand and its products.

## **1.1 Background**

The topic of my thesis is Celebrity Endorsement in Social Media marketing because the competition between companies is tuff and they need to find a way to stand out. This is a current topic in the marketing world. The idea came from seeing paid adverts on Face-

book and Instagram and wondering how did this celebrity end up promoting these shoes or skincare products on my newsfeed.

In general, the increase of social media users is giving a new way for brands to be discovered. There are apps for small businesses to promote their products such as Etsy. Etsy is an app which you can download on your smartphone where small businesses can sell their products such as vases, smartphone covers, home decor items, clothes etc. The customers can be from all over the globe and anyone can have a store. Would it help sales if that small brand had a celebrity post a picture and add a hashtag with the businesses name? Small companies have a hard time competing with bigger market leaders but as the world changes to where the customer wants to know more about the products, smaller companies have an advantage at being more easily approachable.

We all know some of the most famous collaborations such as Michael Jordan and Nike, Tiger Woods and Nike or Kanye West and Adidas. We see the end product and the buzz around the collaboration but not all that goes into planning something like this. We'll be taking a closer look on how these collaborations begin and continue or end.

## **1.2 Objectives and limitations**

The objectives of this thesis is to describe the celebrity endorsement phenomenon and find out how companies can benefit from using celebrity endorsement, what are the disadvantages of using celebrity endorsement, can celebrity endorsement affect the brand image and/or customer loyalty and what challenges does using celebrity endorsement have. I also want to get examples of working with a celebrity or influencer and getting the marketing directors comments on what it was like to collaborate with these celebrities.

I have decided to limit my thesis only to social media as more and more campaigns are produced online only. Social media has proven to be here to stay and companies are moving more content there and slowly reducing the amount of printed media and also other "older" forms of media. Social media happens to be a lot cheaper than traditional forms such as TV or billboards. You can get quite a big campaign online with little money spent. Another reason to focus on social media is because bigger companies do marketing across the globe but the marketing department might be located in only certain countries.

I didn't limit the campaigns to one country because as Finland is quite a small country I feel I wouldn't have gotten enough material for the thesis and social media is a global phenomenon, not just a Finnish thing. And as the globalization and internationality are

becoming more important in today's world there wasn't any point in limiting the thesis to only companies and campaigns in Finland. Two out of the three interviewees also work for international companies, where the target was to reach audiences outside of Finland. Also USA has some of the most famous campaigns and collaborations that affect the whole world as they are then promoted all over the globe such as Pepsi with Britney Spears, Beyonce and Pink.

A little smaller objective was also to take a look at some of the campaigns from other parts of the world and see why they worked or didn't work. Over all the thesis is very much based on the interviews and the experiences which companies have had using celebrity endorsement.

The structure of the thesis is as follows: first there is an explanation on what are social media and celebrity endorsement along with more theory on the subject. There will be case examples that are quite famous and give a good example of celebrity endorsement campaigns. The next section will be on the research on celebrity endorsement. Here are the interviews and the interview results. Lastly at the end of the thesis there is an evaluation of the whole process.

## **2 New Trends in Marketing Communication**

Traditional ways of marketing such as newspaper ads and television commercials are slowly moving aside as electronic ways are coming even more dominant. In the last 10 years there has been a huge shift to a very digital world.

In this new era of marketing consumers are more aware of brands and marketing than ever before. Social media has provided a new ground for companies to be able to engage their audience. People have a lot of information incoming; their attention span is getting shorter. In order to get the customers attention companies need to find new ways to stand out.

For a business to be taken seriously they need to have an online presence. A website is not enough anymore. They need to engage customers in social media where the future big time spenders, spend most of their time. It's all about having followers, comments and brand mentions. Brands need to produce the right content that captures their followers' attention and gives them directions on what to do. (Ryan 2015, 63-64) Until 2006 communication was enough to keep customers engaged but the shift to content is real. Without proper, meaningful and valuable content you will lose your followers and your brand might suffer and get a bad reputation. (Evans 2008, 19-20)

The biggest shift has come in the last 15 years. People are rapidly moving into online worlds. The social media is here to stay and it must be embraced in order for the company to survive. No one takes you seriously in this day if you don't have a website and social media pages. It's a sign that you are real and that you communicate with potential customers. People in countries like India and Turkey are joining Facebook and visiting it now more than people in Canada or Spain. (Ryan 2015, 202-203) The growth is huge and shows no sign of slowing or stopping. As you don't need to buy an expensive computer to be online anymore, just buy a Smartphone and you are connected with the rest of the world.

In 2010 Entrepreneur.com released an article on what they think will be the ten marketing trends. The article stated that transparency and trust are paramount to a company's survival. People want to trust companies and giving value is going to be an important factor. It also read that you should show and not tell why you should trust your hard earned money to a company and by their products and also given the past economic crisis's and natural disasters companies should produce messages that promote peace and security. Of



course the importance of relationships was on the list too as well as focusing on a niche instead of trying to be everything for everyone.

In the end of 2016 Forbes released a similar list of the top ten trends driving marketing in 2017 written by Daniel Newman. The list included some similar items still as in 2010 like more social media marketing, content value and better video content and more of it. Other items on the list were increased focus on customer experience, more precise analytics and right-time marketing instead of real-time marketing. Meaning, companies should use data to calculate when to approach consumers instead of waiting for the right moment. Two items on the list which were surprising were embracing the internet of things and chatbots going mainstream. Mainstream meaning that they will be a common thing and most people will have one. Internet of things means that there is an increase in the things that send data of our behaviour.

Nowadays even sports equipment and clothes come with tracking devices. Chatbots aren't that common yet but robotic technology is increasing and iPhones come with Siri which already actually is one form of a chatbot. Siri is a built in "assistant" in an iPhone who you can ask questions from and it will search the answers for you using the internet. You can also ask Siri to call or text someone on your behalf and it will do it.

## **2.1 Social Media Platforms**

Before having companies contact customers by texting now they can do all that more easily and cheaper through social media. Why send expensive text messages when you can post a campaign on Instagram or a private message in a Facebook group.

The more people there are on different social media platforms the more companies have data to analyse about their customers. Social media platforms bring everything much closer to the buyer. You can more effectively market to a more specific group of people who you want to target.

All social media platforms collect a huge mass of data on a single person. This information can be used by companies to analyze what type of product this person would be interested in buying. Also the type of content that the company puts out plays a role in how appealing it is to a certain type of customer.

### **2.1.1 Facebook**

This is the most well known social networking site. Users create a free account and share as little or much information about themselves as they want. (Digital Unite)

Key features of Facebook include instant messaging to other users, sharing videos, photos and articles and joining/starting groups with people that have the same interests. Facebook is available 24 hours a day so it doesn't matter where in the world you are, you can always connect. (Lifewire)

Every Facebook user has their own newsfeed where you can see what your friends and the people you follow post. Facebook is available as a website but also as an app for the smartphones.

In Facebook companies can buy advertising space and they can have their own page which people interested in it can follow. Companies can use Facebook for getting feedback, answering customer questions as well as organizing competitions.

### **2.1.2 Instagram**

The goal of Instagram is to have a world connected by photos. (Instagram 2015)

This is a social networking site where you can share photos and videos. Same as Facebook you have a newsfeed filled with posts from the people you connect to. Instagram is known for having more edited photos and the use of filters and hashtags. You have the option having your profile be public or private. All company Instagram accounts are public.

Instagram has also generated a new word called instafamous. This is a person who has a lot of followers and can be considered a somewhat famous person. Instafamous people might not be known for anything else except their Instagram account and they are the new thing for companies use to approach new markets through. (Independent 2016)

Instagram uses verified accounts to separate the real accounts of famous people from fanpages and fake accounts. Both Instafamous people for example Tess Holliday and celebrities like Selena Gomez, Kim Kardashian and Justin Beiber also have verified accounts.

On Instagram, you can search for things you are interested in by using the hashtags, this is also the best way to get other people to notice your photos. When uploading a photo

you add a description about it. Including a hashtag will make other people able to see it too if your account settings are set on public. There is also a direct messaging option so you can have a private message conversation using this app. Instagram is mainly a smartphone app but users have lately been able to access their accounts on computers too.

### **2.1.3 YouTube**

YouTube is a site where you can search for videos on just about anything. The length varies from a few seconds to several hours. Users can create their own channels and post their own videos for other people to watch. Besides just watching you can like, comment and share videos on other social media sites. You can subscribe to channels and get notifications when that channel posts a new video and you can create playlists to put in one place related videos according to your preference. (Webwise) On YouTube companies can post their commercials and other videos that they want customers to be able to see.

### **2.1.4 Twitter**

Twitter is another form of social media and an account can be created by a private person, company and public figures. Several politicians love using twitter as it is a fast way to get a short message across as each tweet (post) can only contain 140 characters (letters, numbers and punctuation). You can also post pictures, videos and links. On Twitter you follow people the same way as on Instagram and you have your own personalized news-feed which shows you tweets from the people you follow. The thing that separates Twitter from all the other social media sites is that you can't edit what you post. You have to delete the whole post and start again once you've published it, if you wish to change something. (Twitter)

### **2.1.5 Snapchat and Pinterest**

Pinterest is an inspirational platform. People use it mainly to get new ideas. Pinterest is full of pins, which act as a visual bookmark. Once you click it you can see where it came from and learn more about who posted it and see their other ideas. The picture with the pin can be of anything from food to a DIY. (Pinterest)

Snapchat is a social media app on the Smartphone that works pretty much the same as any texting app, people can send pictures to their friends and have conversations. What makes Snapchat different from all the other social media apps is that the sender can

choose how long the message is visible after the recipient opens the message. After the time runs out, the message disappears. This could be used as a marketing tool if used correctly to peak at customers' interest. (Lifewire, Snapchat)

## **2.2 Followers**

Followers are the key on every social media platform. They are the audience and the way that people connect to each other on social media platforms. On Facebook it is always mutual following which means both parties follow each other. On other social media platforms following can be mutual or one-way, which is usually the case in celebrities and their fans. Fans follow the celebrity but the celebrity won't follow every fan back. The same happens with companies, many people follow them but they don't follow everyone back.

Followers on different sites mean different things. In Facebook people are generally more private than in Instagram since in Facebook both parties need to accept each other as friends. However for companies and celebrities anyone can press the like button and follow them. In Instagram people have more public profiles and they can follow more easily people who they don't know in real life. On YouTube it's all about trends. The videos with the most views are the videos that have the most relevant content. Also big brands have an advantage because they are searched for more often on YouTube. Snapchat is mainly used by friends and Pinterest is used for finding ideas and not really for following.

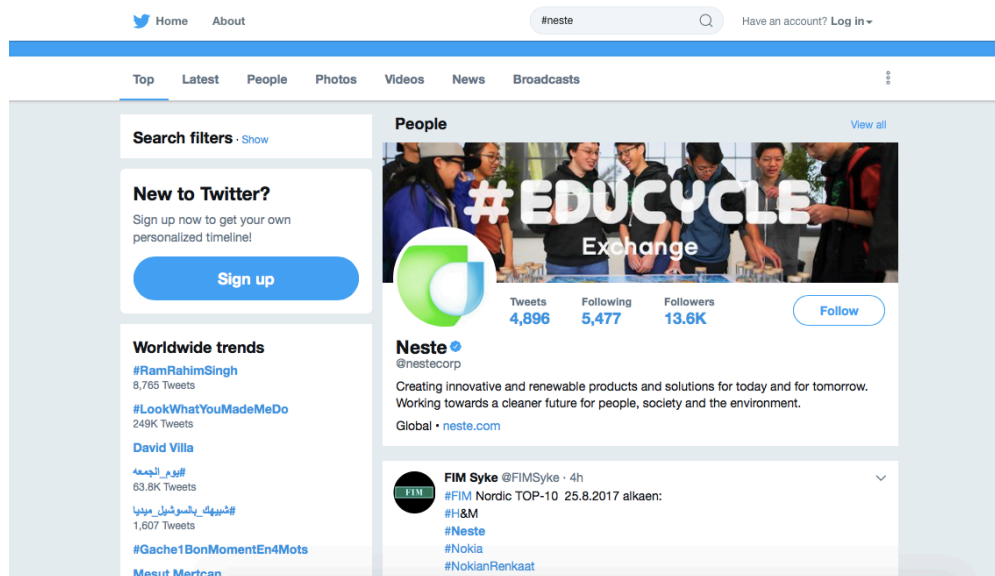
Followers want to feel like they gain something from following another person or brand. It needs to give value to them. The most important thing is to generate authentic and valuable content and to sound human. No one cares or listens if your post is generated from a robot or if they feel that there isn't a person with feelings behind the words. People want to feel, even through media and machines. (Ryan 2015, 52)

Besides just having followers, you want those followers to turn into sales. For that to happen, you want to see from which social media site you have the most customers coming to your website. Launching a campaign with a specific code for that social media site you can see where your customers are coming from based on how many people use that code. You need URL tracking to see what they have searched on your page in order for you to get a better picture of what your customers are looking for. (Ryan 2015, 90-91)

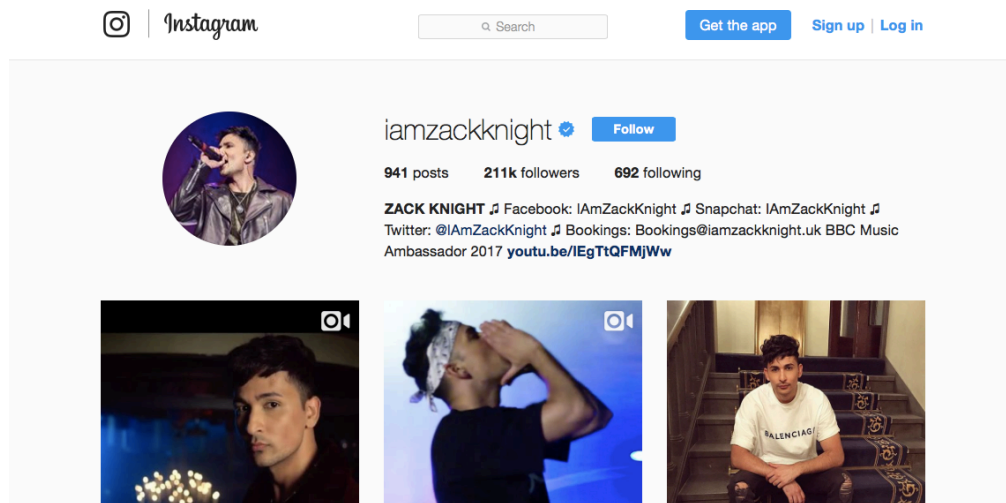
## 2.3 Verified Accounts

There are dangers to social media. Identity thefts are the most common of these. Hackers trying to break into a company computer to get information that the company most likely wouldn't want to publish for the whole world to see or having bad publicity because of something someone posted without thinking about it. These may seem like small things but to a companies' reputation it can be a big hit. (Siciliano 2014, Huffington post)

In order to avoid these things happening, the staff using social media should be well trained and the security should be updated on computers. To avoid identity thefts most social media sites use verified pages for companies and public figures. They mark a little check mark on the page to show customers that this page is the official page, as is shown in the picture 1 and picture 2 below. These are available for brands and public figures to prevent someone else posing as the person or a brand representative. (Commonplaces)



Picture 1. Neste Twitter account (Twitter)



Picture 2 Zack Knight Instagram account (Instagram)

## 2.4 Word of Mouth

Probably the oldest way of marketing is word of mouth. Even back in the day people would praise the things they like to their neighbour and even more than likely they would criticize the things they didn't like. In today's world, brands have a premium place to hear what people are saying about your brand. You want to know what people are saying about your brand as it will affect the sales and reputation. Listening to potential customers is giving you valuable information on what they want and a chance for you to control customer relations. (Ryan 2015, 65-57)

Even in this online global world, word of mouth is still considered to be extremely effective. Only now people who give reviews are giving their opinion to hundreds or thousands of people. There are videos on YouTube of people giving reviews about websites, products, companies, services and anything else you could imagine. And these videos are quite popular since some of them have millions of views. People clearly search on YouTube and see what others who have used the same service or products are saying about them.

The videos posted need to be honest and relatable. The more the viewer feels like they can trust the person's opinion the more likely they are to go buy that same product or try the same hotel.

However word of mouth online isn't limited to only YouTube video reviews. When you go online shopping for example, you can find reviews on the website usually the last under the product when you click on it. The most common way is to give 0-5 stars and give a little description about what you like and what you didn't. Most online stores, such as Amazon and Wish use this rating system on their products.

There are also some websites purely for discussing products or services if it's not possible on the company's own page. All you need to do is Google the product or service and usually there are pages where you can read about other people's opinions and experiences.

## **2.5 The Power of Hashtags**

By using hashtags in social media marketing brands can better connect with people who are interested in the products the brand has to offer. For example on Instagram you can use hashtags to search for the things you are interested in. Hashtags provide an easy way to find content that interests a specific person. Companies can also search themselves with hashtags and see what is being related to the brand and what people are saying about them. (Ryan 2015, 176) Examples of hashtags: #marketing #studyhard #waiting-forholiday

## **2.6 Vlogging**

Since the internet arrived on us there have been several platforms where people can write freely about what they want. Sites such as Blogspot, offer private individuals and companies the chance to write what they like about and share it with an audience. Many companies have had blogs where they show what they are doing and when. It's usually a team that updates the blog but it can also be the CEO if they have time. In the last few years however people have less interest in reading and as the attention span gets shorter marketers and celebrities have had to come up with new ways to keep people curious. (Evans 211-212)

The biggest saviour has been YouTube, however there have been smaller sites like Vine where people have started first posting videos. YouTube offers a whole new game to companies and individuals. You can post moving pictures, short videos, commercials and much more. People can search anything they want with the search engine and if you are gaining many views you might make it to the front page and be promoted by YouTube.

Vlogging is a video usually uploaded to YouTube where a person talks about their life and what they are doing on a specific day or at an event. The creator of the video can be anyone and some of them are very successful and have a wide fan base. The creator basically videos their life or parts of it and companies can send them products to try on and give their opinions. Some of them can be paid and some of them are not.

An example of a vlogging channel is OKbaby. It was created by two teenagers who had a child and wanted to share their struggles with other teen parents. Now they have over 1 million people following them on regular basis and they have companies wanting to do collaborations as well as sending them items to try.

Another example of a vlogger is Logan Paul. He is an American boy who created a largely successful YouTube channel within a year from starting. He does vlogging videos showing his life and the lifestyle he created for himself. He became one of the best known YouTubers and currently has 12 million followers. His followers also follow him on Instagram and are extremely loyal to anything he posts.



### 3 Celebrity Endorsement

There are two types of celebrity endorsements: paid and unpaid. In paid celebrity endorsement, the celebrity is paid to come and promote the brand's product or service. Unpaid endorsement is when a celebrity just likes a product and is wearing for example a Nike shirt while taking a picture of themselves and posting it on social media, leading to possibly having some followers go out and buy the same shirt from Nike.

In today's competition, it's all about the image you portray and credibility. You want to choose a celebrity who will add to your image and the celebrity wants to choose to promote brands that they experience will help them stay credible and true to their style.

So why do brands need celebrity endorsement? When companies are setting goals they need to think about how to reach those goals. If the goal is to increase the amount of people who see your posts and can recognize your brand, one of the best ways to do that could be by approaching a celebrity or influencer. Not only will an influencer have a wide network but everybody in that network has their own networks and so on. This means that if you get the celebrity to like your product and they talk about it or post it on their social media account, their followers will see it and be most likely at least a little bit intrigued by that product and go do their own research on the subject and possibly will buy the product or service themselves and tell about it to their friends.

In this day consumers are ignorant towards billboards and commercials by being self-sufficient. (Kissmetrics 2013). They don't trust a pretty face by the side of the road; people want to hear honest opinions about brands. This is one reason why YouTube videos where the youtuber tries a new product is so influential. In the beginning they say that the video isn't or is sponsored and they give a review about the product or service. Most reviews however are not paid and the youtuber is free to say that they hate a product.

One other way celebrity endorsement helps a brand is when you don't control the face of the campaign too closely. When the person has a chance to say what feels right for them. They can come up with content specifically for this one audience better than an advertising agency as they know their own community much better. When you write a script for your influencer or celebrity it becomes fake and people will know. Fake doesn't work in this world anymore where everything has to be see-through and original.

Many companies use the four P's in marketing. It is also known as a marketing mix when companies choose which approach they will take when launching a new product or ser-

vice. The four P's are: price, product, place and promotion. (Bergström 2013, 166-167)  
Celebrity endorsement falls under promotion and it is mostly used at the very beginning of a products life. When launching a new product you want as many people as you can to know about it which means that a celebrity could be the best option for some.

In Finland there has also been born a new company in 2016 called Indieplace. This company has a list of influencers that companies can hire and use for campaigns or product launches. They refer to themselves as an influencer marketing planning office. I believe companies like this will continue to grow in the years to come and be very useful for other companies. Basically once the company has a need for an influencer they can go to indieplace website and scroll through some of the influencers and see which one would be the best fit for the purpose. (indieplace)

The celebrities used in campaigns are generally starting to be more and more of those influencers representing a niche rather than using big celebrities. Of course they are still used too but companies need to find a way to reach more specifically interested people. A snapchat or vlogger might service some situations better than a big star. In Dubai for example all new items are promoted by local bloggers and Instagram stars. (Rizmona)

### **3.1 Definition**

Celebrity endorsement is a form of advertising where the company uses a well-known person using their popularity to help promote a product, service or brand. It used to be more on the tv and printed media but nowadays it has expanded to social media. (Business Dictionary)

Besides celebrity endorsement other words to describe this type of marketing is called influencer marketing. When you do influence marketing you find someone who is good at what they do, have a fan base (followers), they are respected and have the same values as your company or the organisation they'd represent. Influencers are usually very active on social media and they can be referred to as brand advocates or niche promoters. (Kissmetrics, 2013)

Celebrity endorsement is not to be mixed with influencer marketing and sponsoring. Celebrity endorsement and influencer marketing have been traditionally used pretty interchangeably. However there is a difference. The difference between the two is that influencers don't have to be celebrities. They are more like specialists with a certain type of follower on social media, for example mommy blogs or YouTube beauty gurus. (Affirm 2017)

The difference between a sponsorship and celebrity endorsement is where the payoff is mutual. In sponsorships someone gives you the money to do something in return for something else. In endorsement the celebrity shows its support for a brand or product. In sponsorships it is vital for the brand to be shown by the person who they are sponsoring. From a customer's point of view celebrity endorsement seems more authentic than sponsoring.

### **3.2 History of Celebrity Endorsement**

Celebrity endorsement as a concept is as old as the first products but it became a real thing in the 1920s all the way until today. Back in the day it was mainly used to promote tobacco, beauty, fashion and beverages. Celebrity endorsement was used in all forms of media including radio and television. In 1980s brands started giving celebrities their own products, for example Nike doing a line of sneakers for Michael Jordan, which is still today being produced as Nike Air Jordan. In 1990s celebrities got more say in what and how they promote as well as sometimes ending up being co-owners of a company. (CelebrityCred)

Since the 2000s companies have slowly started to switch big megastars for influencers. Influencers are people who are not as popular as a megastar but influence the people around them more than a megastar. Most companies find that having both in a campaign works the best. A megastar like Justin Timberlake can bring you views and raise brand awareness but having a local Instagram celebrity with maybe a million followers or even only half a million followers might be more efficient in selling your product to more people. (Huffington Post)

In the past few years people want to see more authentic and see-through marketing. They want to know what people actually think about a product or brand, so brands and celebrities have formed longer partnerships and alliances and work more together to reach larger masses. Due to internet and everything being mobile celebrities are easier to get a hold of and because there are no printing costs for example when you post something on social media even smaller businesses have the chance to work with famous people and influencers increasing their brand awareness.

In the past couple of years people have been able to make themselves famous at least to an extent. Logan Paul started recording videos onto an app called Vine in 2014. In 2016 he started his vlogging channel on YouTube and less than a year later he has 10 million

people subscribed to his channel and wins a teen choice award. Vlogging is the new blogging. People record their lives on camera daily and upload it onto platforms like YouTube for other people to see. Another YouTube star called Bethany Mota managed to become famous with beauty videos all the way to being invited to take part in Dancing with the Stars. She was also voted one of the most influential teen in 2014. (Forbes 2015) The social media has endless possibilities for the younger generation to make a difference in their lives by being connected and sharing their lives.

### **3.3 Celebrity Endorsement Today**

Today's marketing is all about being see-through and stand out from the competition. Over the growth period of social media companies have had the chance to come up with different ways to stand out from everyone else. Back in the day it was logos or slogans, now its online presence and hashtags.

In this day and age people love to talk and they love content. They want to feel like they are gaining something from following a brand online. The talking is more even now too. Companies can reach their customers instead of waiting for customers to contact them. The goal is to increase the followers' engagement and brand awareness. This can be achieved through social media. (Ryan 4-5, 100-101)

You can also see brands like Abercrombie & Fitch who encourage customers to take pictures of them wearing the brands clothing and posting them on social media using the hashtag that they use for the brand. (Abercrombie&Fitch) This makes customers more loyal as they can be featured on the brands own social media increasing the customers own popularity and getting more followers. It's all a competition to see who has the most followers.

However companies forget nowadays is that it doesn't matter in the end how many followers you have or how many like a picture gets because if those followers and likes don't convert into sales your company will die. Companies are hiring people to take amazing photos for them and having people search online what potential clients are saying in conversation in order to meet the wants of these people better. (Ryan 63-64) Yes having a good online presence makes people remember you but it doesn't mean that they will automatically go buy the product you post a picture of. In that sense social media is a hard platform to master.

### **3.4 Examples of Celebrity Endorsement around the World**

Some celebrity endorsement campaigns go extremely well and the collaborations can continue for years. However sometimes they fail or there is a breach of contract from one side or another. Here are some examples from around the world.

One of the most successful campaigns in the 21<sup>st</sup> century was Britney Spears and Pepsi. Since 2001 Britney has appeared in many Pepsi commercials. Her collaboration with Pepsi inspired other artist to collaborate also with Pepsi such as Nicki Minaj, Christina Aguilera and Beyonce. The campaign with Britney Spears was even featured in major sports events like World Cup. (The Richest)

Sports brands and athletes are a tight knit community. It wasn't a surprise when Nike and LeBron James signed a contract making sure that James always has Nike to play in. (Ikea) James even has his own line of sneakers, which Nike mass produced so that every fan can have their own.

Another major sports success collaboration was made in 2013 between David Beckham and H&M. Most clothing companies use celebrities to appeal to buyers who follow athletes. David Beckham was the face of the line that was advertised during the 2014 Super Bowl. (The Richest)

Adidas went in big when signing a contract with Kanye West. West was allowed to design a pair of shoes. These shoes became a huge hit among other celebrities as well as upper middle class teens and young adults, as one pair of Adidas Yeezys cost over 700 dollars. The first wave of Yeezaz's was released in 2015. The collaboration bought Adidas sneaker market from 1% to 30% and the sales contributed to a 5% company growth in North America. (Highsnobiety) The collaboration doesn't seem to be slowing down however West has given hints that he might be looking for a new partner in Vans soon.

Jessica Simpson has been the face for Proactiv for several years. She says that this product really helped with her acne skin. She helped launch the product and sales have increased significantly with her promoting it. Proactiv is said to pay 2-3 million dollars per year for top celebrities for their time. (The Richest)

A new collaboration was formed between Rihanna and Puma. Rihanna launched a collection called Fenty. She has recently expanded her Fenty brand to Fenty beauty releasing in September 2017 her line Fenty Beauty, featuring makeup for every skin shade. She

launched 40 foundations and several contour sticks and high lighters. Rihanna is said to be planning on releasing a new ready-to-wear collection in 2018 in collaboration with Puma.

Sometimes collaborations end short because one or the other party violates the contract or otherwise expresses indecent actions in public. This is what happened to Nike and Manny Pacquiano. Pacquiano had made an indecent comment about gay people so Nike had no other choice but to drop him. (Philstar)

Rihanna also run into trouble when Nivea decided that she was too sexy. Nivea dropped her because according to the new CEO, she didn't share the company values. Nivea was very keen on promoting family, trust and reliability, which the CEO didn't believe was a suitable match with Rihanna being the face.

McDonalds, Nutella and Coca-Cola all dropped the Lakers star Kobe Bryant in 2004 after he was accused of rape. The charges were eventually dropped but his reputation had already suffered the consequences. (Philstar)

Sometimes the celebrity does something bad but it doesn't necessarily end sponsorships. Tiger Woods went through a rough patch and has this year been arrested for a DUI, suggesting his troubles aren't ending anytime soon. He was caught in 2009 in a sex scandal. Gatorade and AT&T were quick to drop the golfer. However Nike continued to sponsor him and despite the DUI this year they still continue to sponsor Mr Woods.

## 4 Interviews

For receiving an accurate picture of how celebrity endorsement is used in marketing, the thesis needed to have interviews from people who work with celebrities and marketing. The interviews needed to represent a larger scale of all the different areas where it can be used, not only clothing and cosmetic brands. The people interviewed were: Mrs. Sirpa Tuomi from Neste, Mr. Risto Oksanen from Veikkausliiga and Mrs. Lotta Clausen from Cargotec.

### 4.1 Research Method

The research approach of the study is qualitative and the method is a semi structured interview with the brand representatives. It will be a qualitative research because there won't be hundreds of answers, rather only a few with in depth answers on the matter. For this thesis it is better to have a few in depth answers rather than several shallow answers. The semi structured interview was also the best option as it gives more room to make it fit each interviewee better, rather than having the same questions for each interview.

The qualitative research method gathers data that is non-numerical and focuses on the micro level of social interactions, everyday life. The main methods used to investigate when using the qualitative research method are: focus groups, observation & immersion, interviews, open-ended surveys and content analysis. The results from the research are usually analyzed only by the researcher's eyes and brain. Using this method you can create an in depth analysis on whatever it is you are researching on. (thoughtco)

The benefit of using qualitative research is that it allows the researcher to investigate the meaning behind behaviour, actions and interactions with others. The downfall of this type of research is that it has a limited scope, which means the results from this type of research usually can't be generalized. (thoughtco) Qualitative research is bringing meaning and insight to the words of the participants in the study by giving theory based generalizations, which explain the findings. (Daymon & Holloway 2011, 304)

A semi constructed interview has a general topic and the questions are composed in a way that reminds more of a reminder list than necessarily a questionnaire. Parts are more freely able to move around and the target is to get a bigger picture rather than dwell on intricate details. This will be a small sample rather than a huge mass of answers. (Snap Surveys 2011)

The reason for doing this type of interview is because it gives the chance to change the questions around but the themes are the same. Due to having so different types of companies to interview this seemed like the most logical way to get the results for my questions. This type of interview gave me the chance to have a conversation and ask more specific questions during the interview than any other form of interview would.

The main target of these interviews is of course to get answers to the themes presented in the beginning. The main topics discussed with the interviewees were around the celebrity endorsement phenomenon and their experiences with it.

The questions for the interview were chosen based on their value to the end goal. First the themes of the interview were carefully planned and thought about and around these themes the questions were then formed. The first few questions are designed to get a better sense of who the person being interviewed is and the company's general marketing collaborations and how long they have been in it. The second theme is more on social media and celebrity endorsement. In this section we really dove into the subject and started getting information that was useful for the thesis. The third section of the interview is mainly on the benefits and challenges, which again was reflecting right back into the target of the interviews and on the thesis main questions. The last part of the interview is on case examples.

## **4.2 Target Group**

The people interviewed for this project were representatives from companies that you might not think would benefit from using celebrity endorsement. The first interview was with Ms. Sirpa Tuomi who is the Marketing Director for Neste. Neste is a Finnish oil manufacturing company, who are coming up with innovative ideas on approaching renewable energy for cars to run on. The second interview was with Mr. Risto Oksanen who is the Chairman at The Finnish Sponsorships and Event Marketing Association. The last interview was with Ms. Lotta Clausen who was working for Hiab (the subsidiary of Cargotec) and their first attempt at celebrity endorsement.

The target of the interviews was to find out the answers to the questions presented in the beginning of this thesis. The benefits of doing interviews in person are that you can have a conversation with the person you are interviewing. I was able to adjust to the situation and create some new questions on the spot as the opportunity arose. Also I was able to ask if anything was unclear and there wasn't as much of a chance for miscommunication as there could have been, had the interview taken place over the phone or by email.



My target was to talk to marketing gurus and marketing directors because the goal was to get a closer view of the company's side on using celebrity endorsement. No one can tell better about company's experiences with celebrity endorsement than someone working for them, who has been part of the process.

The results from this thesis can be benefitted by smaller companies who are thinking about venturing into celebrity endorsement. Also bigger companies who are trying to figure out a way to attract new customers could benefit from this interview.

### **4.3 Conducting the Interviews**

The first thing after having a problem is to research the subject. It took time to go through lots of material to get very well acquainted with the subject. After reading a lot of material and deciding on the topics or themes I would use on my thesis, it was time to start thinking about the interview questions. The interview would be possibly the most important part of the research, meaning it had to be executed very well. Having spent quite some time thinking about the questions it was time to properly choose the interview questions. The best questions were taken on and the others dropped. The questions needed to support the whole thesis theme and bring value to the interview.

Having the interview themes and questions compiled it is time to find the perfect candidates for the interviews. The themes were celebrity endorsement as a phenomenon, the effects of sing celebrity endorsement, benefits and challenges of celebrity endorsement. I contacted several companies until I found one that would suite my purpose and would be open to give me an interview. I managed to get the first interview with Neste's marketing director Sirpa Tuomi. We met at Neste headquarters in Otaniemi and had the interview in one of their meeting rooms.

Next I managed to get an interview with Mr Risto Oksanen who is the Marketing Director for Veikkausliiga and is also the Chairman of The Finnish Sponsorship and Event Marketing Association. This interview took place at the 5G Arena in Veikkausliiga headquarters.

Lastly I had an interview with Mrs Lotta Clausen. It was a Skype interview as she is based in Sweden. Mrs Lotta Clausen is currently the Programme Director Optimus Change Management and Corporate Communication. The reason I interviewed her is because before changing to this new position she was the person to come up with sponsoring an athlete.

For each interview the themes stayed the same but the questions were modified to best suite the situation as they were all very different from each other. After having all the results from the interviews it is time for analyzing them.

When doing the interviews, the plan is to record them either by video or voice only as this would give the researcher more time to spend on listening and watching the interviewee. Also when taking notes you don't get as much eye contact with the person you are interviewing. If the interviewees don't give permission or otherwise it is hard to do a recording the interviews will be taken notes of.

The analysis method for the interviews was using eyes and brain to see and understand the results. (thoughtco) The interviews were quite straight forward and the answers were clear. When doing a qualitative research the most common analysis method is just the human brain understanding the information received from the interviews. The answers were studied closely and written down in the order that the theme questions were presented.

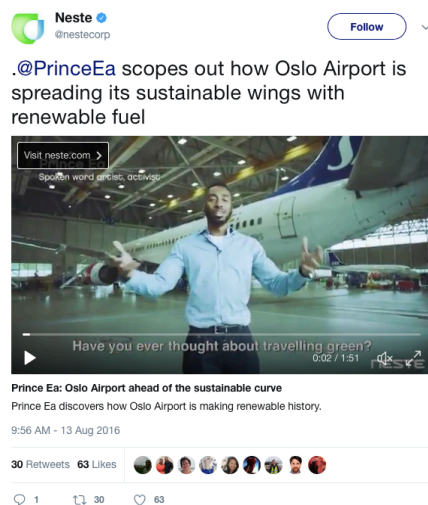
## 5 Results

Here are all the results from the interviews revealed. The interviews were quite extensive so the answers are quite long as well. The interviews were done around the themes and the answers were all based around the same themes. The themes were celebrity endorsement as a phenomenon, effects, benefits and challenges.

### 5.1 Case Examples

Here are some of the examples of the celebrity endorsement cases that the interviewed companies have done collaborations with.

Neste has used quite a wide range of influencers over the years. The main ones used in Finland have been the snowboarder Antti Autti and the sailor Ari Huusela. Both selected because they are their own path goes, pioneers and have a wide base of followers as well as respect. They believe in their own talents and have evidence to back it up. The collaboration with Prince Ea has been also very successful and it has captured the attention of millions of people worldwide.



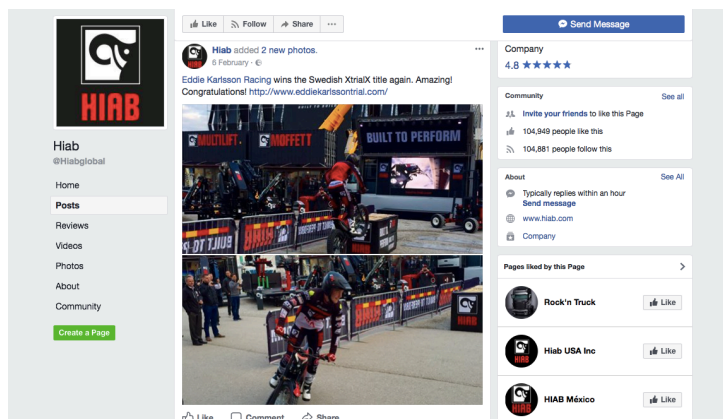
Picture 3. Neste and Prince Ea (Twitter)

Mr Oksanen gave the examples of Koff and HIKF as a long and successful partnership. As well as sports teams in general and sports equipment manufacturers. In addition Mr Oksanen told about CMM and Bauer using celebrity endorsement to promote their sports gear by collaborating with different ice hockey teams and/or players.



Picture 4. Koff and HIFK (Google)

Mrs Clausen emphasized that the collaboration between Hiab and Eddie Karlsson has been a working one and it affected the sales of the co-operation positively. In general it was a very well executed and planned trial. She also said that Mr Karlsson isn't comfortable using social media so he has relatives or Hiab employees helping him with the publishing of content on his site.



Picture 5. Hiab and Mr Karlsson (Facebook)

## 5.2 Background

The interviews were started by covering a little bit of the company's history with celebrity endorsement. Neste has been collaborating over the years with several different types of influencers and found it to be very effective in some cases to reach their goals. In sports celebrity endorsement is a very old way to get sponsorships and has been going on for quite some time. For Cargotec it wasn't until 2000s that they ventured into celebrity endorsements.

The first common factor between all the interviews was that, you can't say how often a company uses celebrity endorsement. Each interviewee emphasized that using celebrity endorsement is a need to based project. Once a campaign has its target, then you figure

out the best way to approach it and sometimes that will be celebrity endorsement. The most common need for celebrity endorsement is trying to reach a new demographic customer.

Mrs Tuomi brought to my attention that celebrity endorsement isn't the word they use for their campaigns, it is influential marketing because they are looking for someone who has a wide fan base and is respected in their area of expertise and has the power to affect other people's opinions. For Neste it is someone who is a pioneer and believes in their own abilities and is very well respected in their community. A celebrity does have fans but not necessarily the most loyal followers or the most influence on other people.

### **5.3 Social Media Platforms**

When asking about which social media sites work the best, one rose above all: Facebook. Facebook still gives the biggest number of views although it does not mean that it will turn into flow to your website but it does give more views. Then depending on the type of campaign YouTube and Instagram came next. It also matters who you are trying to reach. Facebook is great for reaching adults but younger adults and teenagers are more on Instagram than Facebook. As mentioned in chapter two, Facebook is thought to be still the biggest social media site with the most users. This supports it being the number one site on where companies should be, as it was stated in chapter two.

I also asked about the traditional media such as TV or radio. Mrs Tuomi told me that due to Social Media they were able to do the collaboration with Prince Ea. Without Social Media they most likely wouldn't have done it, as the campaign was directed towards USA and buying the amount of tv time that they would have needed, was not an option. Mr Oksanen said that Social Media marketing has more influence on the customers. You are able to better get closer to the customer and personalize it more effectively than a normal tv commercial.

My interview with Mrs. Clausen was a bit different as Hiab is B2B Company. Hiab is part of Cargotec and has a very different marketing plan than the rest of Cargotec. Hiab's main customers are small family companies or one/two truck companies and they mainly go to trade shows and exhibitions to see what they want to buy or need to buy next. The reason Hiab ended up using celebrity endorsement was because they made the mistake of stopping to go to exhibitions and they lost customers to their biggest competitor. But again for this collaboration, Facebook rose as the number one channel for the new partnership to be shown.

## **5.4 Effects of Using Celebrity Endorsement**

Next I asked about the effects of using celebrity endorsement. Mrs Tuomi said that the collaboration between Neste and Prince Ea has only emphasized the brands reputation and there has been over all a more positive brand experience. This has resulted in more people visiting the website and the organic flow has increased. They haven't measured if the sales have increased due to the collaboration because the target was to reach new markets and make people more aware of the brand and company.

I asked the same question from Mr Oksanen and his response was similar. At its best the collaboration can affect the brand greatly in a positive way, however if it goes bad, it can have serious negative consequences. An example of a bad case would be Valio and Ben Johnson who was caught using doping. An example of a very good partnership is Koff and HIFK. In this second case you can be sure that all HIFK fans are drinking Koff as the collaboration with these two has lasted over 30 years, and you can be sure that no Jokeri fans will touch Koff.

As for Hiab their collaboration with Eddie Karlsson started as a way to get their previous customers back. They started going to trade shows and exhibitions and Mr Karlsson would join them there. The idea behind it was that the small business owners would get curious to why is a trial driver with them. It would be a conversation opener and it worked. Hiab started to get the previously lost customers back due to this nonconventional idea. Those regained customers have continued their business affairs with Hiab ever since the first few shows. Also by involving Mr Karlsson, Hiab was able to show that they are a bold and brave company to take on a new approach on gaining customers.

## **5.5 Benefits and Challenges**

Next we started to discuss the benefits and challenges with celebrity endorsement. Mrs Tuomi said that the benefits are definitely on reaching new customer bases, reaching people who wouldn't be interested in your brand and what you have to offer otherwise. You make them curious by having someone who knows their viewers and what they like. The key is in letting the celebrity or influencer write and talk freely. They have to have the power of what they want to say. In the case of Prince Ea it was a very successful partnership that is still going on. Over half a billion people saw the campaign worldwide. There haven't been challenges with this particular campaign and she said that you do need to

trust the person you are working with. Of course there are contracts to protect you but bad publicity is always bad.

Mr Oksanen stated that benefits of using celebrities is emphasized when selling things that people don't necessarily need, but want. Things that you don't buy with logic, things you buy with feeling, for example fashion and beauty products. Someone might want a Dior dress or a Rolex watch. You could buy a cheaper dress or watch but you are selling a lifestyle, a way of life and in these commercials, it's useful to use someone famous to make people want it too and buy with feelings instead of logic. He also reminded that the campaign needs to be credible. For example in IT business, you might not want to use a celebrity.

As for Ms Clausen at Hiab, they only have experience from the collaboration with Mr Karlsson, she said that they reached their goals through this way of marketing. She said that all feedback has been positive and there haven't been any negative comments around the campaign. The whole campaign was very goal oriented and they are very happy with the outcome.

## **5.6 Deeper Knowledge**

I was also curious to how do these collaborations start and how long are they. According to Mrs Tuomi, either party can approach the other. Prince Ea was seen performing in a club in London by one of the marketing team workers on holiday and she got the idea to start collaborating. She gave him her card and asked his manager to be in touch. The manager called a few weeks later and the contracts were drawn. Their newest collaboration with Teflon Brothers started as Neste contacted Universal Studios and said that they are looking for an artist to work with. Universal went through all their performers and gave a list of suitable options to Neste, where it was decided that Teflon Brothers is the right match.

The length of the collaborations varies on the need, for example the collaboration with Prince Ea is still going strong because of the affect it had and the collaboration with has been going on for several years and now have a collaboration movie coming out.

Mr Oksanen said that there are two ways collaborations can start. The first way is offer based, where the agents approach the company and offer their celebrities to the company and see if the company is interested in collaborating. The second way (the usually better way) is when the company thinks about their need. Who do they want to reach and how to

get there. They should have an inkling of who they would want to recruit as a brand ambassador. For example Classic ice cream wanted to reach men in their 20s and 30s in Helsinki. So they were thinking about the ideal client and then thought that the best way to reach these men would be through football, so they started working collaborating with Veikkausliiga.

The same thing was said by Mr Oksanen. It depends on the need and how well it works. For example the collaboration between HIFK and Koff has lasted over 30 years and shows no sign of stopping. Sometimes its enough to do just one commercial or one campaign but in the best cases it can last for years.

The collaboration between Hiab and Mr Eddie Karlsson had a very unique start. At the time when the marketing director saw Eddie competing on television he was only 15 years old. She saw an interview where he said that he knows how to drive forklift truck and he worked part-time with machines. This started to intrigue Mrs Clausen and she started to think about if there was a way to collaborate. At this point Hiab was losing customers at a rapid speed. However it took three years to figure out a suitable collaboration agreement. Also by the time the agreement was made, Mr Karlsson was 18 which made the contract easier to make. They agreed that Mr Karlsson would join the trade shows and exhibitions when he wasn't training. They wanted to support him and financed better equipment for training while he came to the shows. The contract was made for three years and it expires this year, unfortunately she couldn't clarify if the contract was renewed or not.



## 6 Discussion

The target of this thesis was to explain the celebrity endorsement phenomenon and describe its effects, benefits and challenges. The focus is to find how celebrity endorsement is used specifically in social media and case examples.

The interviews were the most important part of the thesis and I'm so grateful to have found very valuable sources to answer my questions. The interviews give better insight to the collaborations done between companies and celebrities and how much goes into choosing the correct person and correct channel.

Choosing the right companies for the interviews was crucial to getting a more versatile view on celebrity endorsement. Everyone knows that celebrities are used in cosmetics, fashion and luxury item businesses marketing strategy, so my target was to reach out and see where else celebrities' are used. It was important to get a bit of background information from the interviewees about the company's' history with celebrity endorsement. For Neste it has been going on for years. For Veikkausliiga also it has been going on for decades but for Cargotec it has been a new venture this century.

### 6.1 Cases

For Neste the collaboration with Prince Ea has been going on for over a year and is working so well that they have decided to continue it still for the time being. For Veikkaus and Veikkausliiga it is an ongoing partnership. As for Hiabs case with Eddie Karlsson there wasn't a clear answer on whether the collaboration will be continued or not.

All of the case examples given in the interviews gave a proper view on how much goes into planning a campaign with a partner. These campaigns take time and most of them are successful because of social media. The possibilities with social media are endless. For example the collaboration between Neste and Prince Ea couldn't be possible without social media. Even big companies wouldn't want to pay millions of Euros for a few seconds of television time where as thanks to the social media you can get maybe more viewers than on television and for a much more cost efficient price.

As Affirm stated on their website it is important for companies to find the right partners to do collaborations with. Sometimes companies need influencers' more than big superstars and Neste did just that. They use influencers with a secure fan base rather than a huge star. In the theory it was also stated that doing celebrity endorsement online is more cost efficient than having it done on traditional forms of media is largely supported by Mrs.

Tuomi who said that Neste would not have been able to pull off the collaboration with Prince EA without Facebook and YouTube.

In the theory Ryan said it is important for companies to listen to what the customers are saying about the companies on the internet. This was another statement supported by all of the company representatives. You need to know what is said about your company and brand. You need to be present in the online world.

According to Ryan it is important for companies to contact customers. In today's world the company has to bring itself closer to the client. This was done by Hiab when they took part in the trade shows. As soon as they stopped going the clients switched to the competitors

## **6.2 Social media sites**

Despite being completely different fields the first similarity between these companies was where they publish these collaboration videos and pictures. Facebook seems to be the best place for collaboration work to be published as it has proven to have the largest reach out of all the social media sites. For all the companies introduced earlier, it has the most target users. Facebook is also very versatile, as you may upload text, pictures, videos and links to other websites and more content. For Hiab, Facebook was also listed as the number one social media site as most family companies or one truck companies have a Facebook site but not necessarily any other social media site.

Other social media sites, such as Instagram and YouTube have other functions and other uses. For Neste for example Instagram is used as a countdown platform to when the next video is released in Facebook and YouTube, while for HIFK it's a platform to reach younger fans and post pictures. Hiab uses YouTube to post videos of Mr Karlsson racing and videos from exhibitions to reinforce the collaboration.

The social media sites are used in all marketing anyway, with or without a celebrity. In this day and age companies need to be where customers are and that is social media. It has a huge influence if you aren't a part of social media and not only do you need to be present there, you need to be active and generate content, preferably valuable content.

Through social media companies are able to get more accurate information on who is watching their content and through which channel are people ending up on their website. Companies can make more specific content to customers by knowing exactly what they

like. Social media gives a perfect opportunity for companies to get to know their customers and generate a more personalized content.

### **6.3 Effects of Using Celebrity Endorsement**

The effects of social media can be great, neutral or really bad. Actually it can be anything in between as well. When talking about the benefits of using celebrity endorsement, one reason rose above others, to reach new customers. As said before eventually you will run out of customers who are attracted to your company just for being that company and providing people with what they like. This means that eventually you need to start attracting new clients, clients who aren't necessarily interested in your company straight away. This is why you need a celebrity, brand ambassador or influencer with a wide follower base to talk about your company and attract these followers to be interested in you. This way you keep growing and gaining market shares.

Finding a suitable partner for this can be challenging however very rewarding in the end. It all starts with the company knowing what type of person they want as their next potential customer. Once that is confirmed, the company needs to figure out the best way to reach this new potential customer and also figure out how to approach them and what could be interesting for them. What companies need to be careful about is that the brand ambassador has pretty free hands on how to approach their audience. The content generated in these collaborations need to be authentic and quite free. Customers will know if the company have controlled the message too much or tinted the saying. Everything needs to be real and genuine.

Based on the interviews I believe that the importance of social media marketing will only increase as well as the need for expanding and reaching new customers. I believe the competition between companies will continue to heighten and companies will need to find good collaboration partners. Also the content will continue to be important and the company with the most original and valuable content will survive. The content will increasingly change to videos from text. Pictures will still be used as the attention span of the each generation is getting shorter and customers more impatient. As the old saying a picture says 1000 words will continue to be truer than ever before.

In the theory part it was stated that consumers want companies to be see through. They are spending more time themselves doing the research on the products they want to buy and want to know where the products come from and who manufactures them. Already in 2010 entrepreneur.com had stated that transparency will be the key element for a compa-

ny to succeed. Hiab and Neste are defiantly trying to be as transparent as they can based on the interviews.

According to Forbes social media marketing, high quality videos and customer experience are the key elements to success. This is supported by all the interviews. Mrs. Tuomi believes that social media marketing will grow and the way to stand out from competition is to use influencers and they have done amazing videos in several of their campaigns. Mr. Oksanen said that Facebook marketing works the best; Twitter is good for mainly having conversations.

#### **6.4 Benefits and Challenges**

The biggest lesson from these interviews was that celebrity endorsement works. Neste received millions of dollars worth of free publicity over the campaign with Prince Ea, several magazines wrote about them for free and the videos went viral. For Hiab they increased their profitability from 1, 7% to 17% in the space of three years during the collaboration. HIFK and Koff wouldn't continue to collaborate for over 30 years if something wasn't working. This just proves that people choose familiarity. They choose the products that someone they trust is behind it. People trust recommendations.

Another benefit is that a good collaboration will bring more interested customers your way. For Hiab it was all about creating an interesting conversation starter and bringing themselves closer to the clients. They won back the trust of the previously lost customers and have been able to keep them on board ever since the collaboration started. Its good when people talk about your brand or company but it's even better when they talk about it in a positive light and are intrigued by your campaign.

As stated before the benefits are in expanding brand awareness and increasing sales. There might not be a way to tell if a specific collaboration has earned you more sales, however in Hiabs case you could very well say that it was dues to the collaboration that the company became profitable again, as there is such an increase in sales after the collaboration begun.

Challenges in collaborations are always the contracts. They need to be very carefully thought about and what happens if there is a breach. In sports doping is the biggest cause of contract breaches and this result's into negative publicity to the sponsors. Other challenges are bad reacts from the public if the campaign seems too restrictive and the celebrity isn't being genuine about the product or service they use. Some viewers can pick up

on it and it can backfire on the company's reputation. As we saw in the theory part the example of Tiger Woods and Nike are still working together even though Tiger Woods has a had a few negative publicity issues.

Getting deeper into the interviews, there was a discussion on starting collaboration, the duration and ending of one. The beginning is one of two ways, a celebrity contacting a company and asking if they are interested or the company contacting an agents or marketing service explaining what they need and then having someone else find the right collaboration partner. Sometimes to company contacts the celebrity right away themselves if they feel that person is the right partner. The duration of the collaboration varies. Sometimes a short one advert campaign is enough but sometimes the collaborations work so well that they are carried out for longer periods of time. The ending in most cases is that the contract isn't renewed but in bad cases there is a breach of contract so severe that it is undone on the spot.

## **7 Evaluation**

The whole idea of the interviews was to get more insight into how collaborations start and end as well as the benefits and challenges of using celebrity endorsement. The interviews gave me more insight than I could have ever hoped for. The examples I was given and how openly the interviewees discussed the cases that they had been in or witnessed was very eye opening. I couldn't have hoped for a better result from these interviews. The case examples made the interviews more interesting and gave a real life picture of how things work.

### **7.1 Quality of the Study**

This research was very small. Further investigation topics would be to see the effects of celebrity endorsement for longer periods of time and in different sectors such as clothing, beauty and service branches. Would celebrity endorsement work for a legal company? In which branches is celebrity endorsement the most useful? As this thesis shows it works in some cases even in business to business marketing which is very intriguing.

In general the thesis is based on reliable sources such as several books with quite famous authors, known for their expertise in marketing, for example Philip Kotler. Some of the books used are also in use in universities which gives them more credibility. For more reliable information there was used literature found in the Toronto reference library, which would make those resources more accurate and reliable. Most books used were a year or two old. Some older resources used leads to believe that if there were mistakes someone would have noticed them already and there would have been printed a new edition.

The internet sources and articles weren't all from Google scholar but were compared with one another and this way filtered out the less reliable sources from the more reliable ones. Also going through tens of websites you can see the same thing being said in most of them which makes it more reliable when encountering a website saying one thing and a second one another. But when all the websites say almost the same things you assume that the information is accurate and reliable.

As the topic is quite old and there have been celebrity endorsement campaigns for several decades, there are some famous campaigns that have gone terribly wrong or have been a huge success and it was quite easy to find accurate information based on those as you already have a pretty good knowledge of the background.

One of the most useful resources for this topic was a famous site like Forbes, which has to be critical about what they publish in order to keep their credibility. I also used the social media sites themselves and the company accounts sites, which should provide accurate information on the services that they provide. It is in their best interest to give accurate information as they would want more users to sign into their database and companies to avoid giving misleading information to customers.

The examples that used in the thesis were ones that probably most people already knew at the time of their launch as well as after. Some campaigns are known to stay around for a long time even if the collaboration has ended due to one reason or another. Some of the campaigns introduced in the thesis with the interviewees, are trustworthy as they could provide more information about the collaboration and the affect the campaign had. You can go to the company's social media pages and see for yourself the feedback they had received on the campaign and what people were saying about it.

Other factors which gave more value to the interviews were that all interviews were conducted in a quiet environment. There weren't any outsiders and it was a private space reserved for the interviews. Also the knowledge acquired before the interview and having set the themes for the interview before hand improves the reliability of the interviews. The themes weren't made up on the spot even if some of the more specific questions on a topic were.

The last interview was more on sponsorships rather than celebrity endorsement. As these two things are different and meant for different things it might weaken the thesis reliability as not all interviews gave equal value to the main topic of celebrity endorsement.

When doing a qualitative research and interviews the quality of the data from the interview is important to be kept the same way as it was told to you. The best way to make sure that the meaning doesn't get lost is to record the interview either by audio or by video. When this is not possible it is important to take notes during the interview. On the other hand this means less eye contact with the person being interviewed and the connection between parties might not become as strong as it would be if using the recording. (Daymon & Holloway 2011, 220-235) All the interviews in this thesis were taken down as notes. Also when taking a video you can look back on the body language and hear exactly what was said about a subject, while relying on notes only it requires the researcher to remember more things. This might have a slight effect on the outcome of the research.

In general I feel that interviews are reliable especially when you are sitting face to face with the person who is answering the questions as you can see their body language as well. The person giving the interview is representing not only themselves but also the company or organisation and putting both reputations out on the line. This gives enough intent on giving correct information, and why would a company agree to do an interview if they weren't ready to be open about the subject.

The people who gave an interview for the thesis have been working for those companies for many years. This gives them more credibility and more authority to say what they can on the subject and be as open about things as they want or can, given the company privacy policy.

## **7.2 Self-Evaluation**

For me the biggest accomplishment was getting the interviews with big companies, who gave out valuable information to support the thesis. Also finishing the thesis in the time permitted was a huge accomplishment.

If something could have been done better I would have focused on book references more as well as focused on the actual research method recourses more. It probably would have made the unravelling of the data from the interviews easier.

Some of the challenges faced were the interviews. It was extremely hard to find the right partners for this thesis as well as finding ones that would be willing to be open about the whole process of celebrity endorsement. Other challenges were this being a very small thesis, there could have been more interviews, if there would have been more time to contact more companies. Also the timing was a challenge. The thesis was started in spring of 2017 and finished in august 2017. There was the summer in between and a lot of companies are on holiday and it was hard to focus yourself on the matter on hand when other people are on holiday. Although this gave time for finding sources and time to focus on the theory part of the thesis.

The strengths of this thesis are the wide range of sources, including literature from both Finland and the US/Canada. There were used books, magazines and websites to give a wide range of sources with more reliability. As well as sources, a big strength was the support given by family, friends and professors. It gave the motivation needed when at times it was lost.



Over all I believe this thesis is a reliable piece of work and that it did its job on explaining what is celebrity endorsement and the other themes introduced.

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## **Appendices**

### **Appendix 1. Neste Questionnaire**

#### Background

- Who are you?
- How often does Neste do a campaign with an influential marketer?
- Which form of media is the most useful when creating a campaign with an influencer?
- How important do you think it is to use an influencer in the marketing campaigns?

#### Following

- Does influencer marketing effect the brand?
- Do you think influencers effect customer loyalty?

#### Pros and Cons

- What are the benefits of using influential marketing
- Can it have a negative effect on the brand/company?

#### Case Prince Ea in USA

- How did the collaboration start?
- Did the co-operation have an effect on Neste brand in USA?
- Have you recieved feedback on the campaign?
- Which social media site worked best in this case?
- How long is the collaboration with different influencers?

## **Appendix 2: Veikkausliiga Questionnaire**

### **Background**

- Who are you?
- Which form of media is the most useful when creating a campaign with an influencer?

### **Following**

- What kind of opportunities does social media offer?
- How important is it that companies collaborate with celebrities or influencers?

### **Pros and Cons**

- Do you think a celebrity endorsed campaign can effect the brand?
- Do you think it effects customer loyalty?
- What are the benefits of using celebrity endorsement in campaigns and commercials?

### **Case**

- How do collaborations start?
- Do you get a lot of feedback?
- How long are the collaborations?

### **Appendix 3: Cargotec Questionnaire**

#### Background

- Who are you?
- In general in B2B marketing which forms of media and social media is the most useful?

#### Following

- Do you think a celebrity endorsed campaign can effect the brand?
- Do you think it affects customer loyalty?
- What are the benefits of using celebrity endorsement?

#### Case

- How did Hiab (subsidiary of Cargotec) use celebrity endorsement?
- How did the collaboration start?
- Would you say that it was an effective campaign?
- Has there been any negativity around the campaign?
- How long is the collaboration?